

BUDGET, FINANCE & INVESTMENT COMMITTEE

August 4, 2010

5:30 P.M.

Courthouse

MINUTES:

Members Present:

Comm. Bob Bullen
Comm. Joe Frank Jernigan
Comm. Will Jordan
Comm. Robert Peay, Jr.
Comm. Steve Sandlin
Comm. Doug Shafer
Comm. Joyce Ealy, Chrm.

Others Present:

Ernest Burgess
Teb Batey
Lisa Nolen
Melissa Stinson
Bill Boner
Regina Nelson
Rosemary Jacobs

Others Present:

Jim Baker
Sumner Bouldin
Thomas Trent
Jeff Sandvig
Elaine Short

Chairman Ealy presided and called the meeting to order at 5:30 P.M. with six members being present at that time.

APPROVE MINUTES:

The minutes of the June 23, 2010 Budget Committee meeting were presented for approval.

Comm. Jordan moved, seconded by Comm. Shafer to approve the minutes as presented. The motion passed unanimously by acclamation.

INVESTMENT REPORT:

Mr. Teb Batey, Trustee, presented the monthly Investment Report advising that the LGIP interest rate for the month was .24%.

Mr. Batey advised that there was one investment transaction during the past month with the bid going to First Tennessee Bank for one year at 1%.

Comm. Jernigan moved, seconded by Comm. Sandlin to approve the monthly Investment Report as presented. The motion passed unanimously by acclamation.

REQUEST FROM TRUSTEE TO AMEND INVESTMENT POLICY:

Mr. Batey requested approval of an amendment to the Investment Policy, advising that the current policy allowed up to 30% of the portfolio to be invested in Collateralized Cash Management Accounts. He requested that this be amended to allow up to 70% of the

portfolio to be invested in the Collateralized Cash Management Accounts. He explained that this was the same limit for the Collateralized Certificates of Deposit. He advised that the funds would be collateralized exactly the same as the certificates of deposit with the only difference being that the collateralized cash management accounts would allow for cash to be moved in and out of the accounts with flexibility. Certificates of Deposit are invested for a fixed amount of time such as 90 days, 120 days, or a year. The banks have to collateralize the cash management accounts exactly the same way as certificates of deposit but the county will assume no more risk. Mr. Batey explained that the reason this was important was that by using the collateralized cash management accounts if rates remained at the same level that they were today, it would generate an increase of approximately \$221,000 a year in revenue.

Following review, Comm. Bullen moved, seconded by Comm. Jordan to approve the amendment to the Investment Policy as requested to increase the amount that could be invested in Collateralized Cash Management Accounts to up to 70% of the portfolio. The motion passed by roll call vote with Comm. Peay voting "pass".

FUND CONDITION REPORTS:

Finance Director Lisa presented Fund Condition Reports for the periods ending June 30, 2010 and July 31, 2010 for the use and information of the committee.

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As of the end of June, 2010, the Development Tax Collections totaled \$1,395,000. This compared to the previous fiscal year's collections when the total was \$2,580,000.

The Finance Director advised that the sales tax collections for the school system ended up at 2.78% less than the prior year.

The Finance Director presented a Statement of Estimated Operations, which showed what the estimated fund balances were as of July 1, 2010 compared to the unaudited actual fund balances at July 1, 2010. The actual fund balance for the Board of Education was almost \$2 million more than estimated.

The Finance Director also presented an analysis of the unspent appropriations as of June 30, 2010 for the various funds with the General Fund turning over \$5,075,980 in unspent appropriations, and the General Purpose School Fund turning over \$5,242,033 in unspent appropriations. She also presented an explanation of how much of the unspent appropriations were related to salaries and benefits and how much related to other expenditures.

As of the end of June 30, 2010, the funds' cash balances totaled \$150,754,688 with operating funds being \$140,168,883 and borrowed funds being \$10,585,805. This compared to the same period for June 30, 2009 with the total funds' cash balances being \$171,295,694 with operating funds being \$122,367,043 and borrowed funds being \$48,928,651.

As of July 31, 2010, the Development Tax collections totaled \$79,500. This compared to July of 2009 when the Development Tax collections totaled \$138,000.

At the end of July the total funds' cash balances were \$140,490,862 with operating funds being \$129,831,445 and borrowed funds being \$10,659,417. This compared to July of 2009 when the total funds' cash balances were \$160,737,501 with operating funds being \$112,678,556 and borrowed funds being \$48,058,945.

The Finance Director called attention to Fund 171, 2003 City/County Road Projects with a cash balance of \$595,383.29. She advised that the committee would be dealing with a request regarding the Florence Road Project later in the meeting.

Following review, Comm. Jernigan moved, seconded by Comm. Bullen to approve the Fund Condition Reports for the year ending June 30, 2010 and the month ending July 31, 2010 as presented. The motion passed unanimously by acclamation.

INSURANCE REPORT:

Mrs. Melissa Stinson, Insurance Director, presented the Insurance Financial Reports for the Fiscal Year ending June 30, 2010 and the month ending July 31, 2010 for the use and information of the committee.

Mrs. Stinson explained that as of June 30, 2010 the medical, vision, and dental costs per employee per month were \$750.56 compared to \$742.75 for the same period last year. The average cost per employee per month was \$686.70 compared to \$680.85 for the same period last year. The total core plan costs including CareHere were \$718.92 per employee per month compared to \$710.92 for the same period last year. This reflected a trend of 2%

For the period ending June 30, 2010, the Work Injury claims totaled \$941,855, which were 60.89% of the prior year. The total claims costs for the prior year totaled \$1,546,848. Mrs. Stinson stated that she believed that the improvement was representative of transitioning from the Workers' Compensation Program to the OJI Program.

Comm. Jernigan stated that he would like to know how many old Workers' Comp. cases were still open.

Mrs. Stinson advised that she would provide that information at the next meeting. She stated that the old cases were continuing to decline at a steady pace.

For the month ending July 31, 2010, the medical, vision, and dental costs per employee per month were \$596.54 compared to \$640.97 for the same month last year. When the plan performance was combined with CareHere the average costs per employee per month were \$620.30 versus \$669.75 for July, 2009.

For the month of July, the Work Injury claims paid totaled \$59,378.25 compared to \$67,622.06 for July, 2009.

Mrs. Stinson advised that the safety efforts have been ramped up within the Insurance Department, and they were trying to be more proactive regarding education and the information they were providing to the various departments to try to offset accidents.

Following review, Comm. Jordan moved, seconded by Comm. Sandlin to approve the Insurance Report for the Fiscal Year ending June 30, 2010 and the month ending July 31, 2010 as presented. The motion passed unanimously by acclamation.

GENERAL FUND BUDGET AMENDMENTS

PROPERTY ASSESSOR:

Mr. Bill Boner, Property Assessor, requested approval of the following budget amendment to provide funding for a phone system upgrade at the Property Assessor's Office. During the budget process, this item was put on hold until after it was certain that funds would be available in the unassigned fund balance:

From:	101-39000 – Unassigned Fund Balance -	\$30,000
To:	101-52300-709 – Data Processing Equipment -	\$30,000

Mayor Burgess advised that the Assessor's Office had at least two different phone systems that were not integrated. He stated that the new phone system should make the office more efficient. He also advised that at the end of June, Mr. Boner turned in approximately \$100,000 to the unassigned fund balance.

Following review, Comm. Bullen moved, seconded by Comm. Jernigan to approve the budget amendment for the Property Assessor's Office to provide funding for a new phone system.

The motion passed by roll call vote with Commissioners Bullen, Jernigan, Jordan, Sandlin, and Ealy voting “yes”; Comm. Peay voting “no”; and Comm. Shafer abstaining.

RESOLUTIONS RELATIVE TO THE PRORATION OF PROPERTY ASSESSMENT
FOR REAL AND TANGIBLE PERSONAL PROPERTY DUE TO THE 2010
FLOODS:

Mayor Burgess requested approval of two Resolutions regarding the proration of property assessments for both real and tangible personal property due to the 2010 floods. He explained that the legislature adopted legislation authorizing the proration of both real and personal property for those individuals who sustained substantial damage to their property, which means more than 50%. The affected property must have been unfit for use or occupancy for a period of at least 30 days (real property) or destroyed, damaged or not restored/replaced for a period of at least 30 days (personal property). The damaged property must be replaced or restored by September 1, 2010. The owner must apply for the proration by September 1, 2010.

The local governing body of the county must adopt the resolutions authorizing the proration by a 2/3 majority vote.

Comm. Jernigan moved, seconded by Comm. Sandlin to approve a Resolution approving the applicability of T.C.A. 67-5-603(d), which permits a county included in the FEMA declaration,

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to approve the applicability of that section so that property owners within the county affected by the flood of 2010 may make application to the Assessor of Property for prorated property assessment. Additionally, to also approve a Resolution to approve applicability of T.C.A. 67-5-606(c) permitting a county legislative body included in the FEMA declaration to approve the applicability of that section so that property owners within the county affected by the flood of 2010 may make application to the Assessor of Property for prorated property assessment relative to destroyed, demolished or substantially damaged personal property. The motion passed unanimously by roll call vote.

COUNTY CLERK:

The Finance Director requested approval of the following budget amendment for the County Clerk to utilize funds in the County Clerk Automation Reserve Account to purchase a backup server and to upgrade current computers:

From:	101-34515 – Restricted for Finance -	\$2,500
To:	101-52500-709 – Data Processing Equipment -	\$2,500

Comm. Peay moved, seconded by Comm. Jernigan to approve the budget amendment for the County Clerk's Office as requested amending \$2,500 from Account 101-34515, Restricted for Finance, to Account 101-52500-709, Data Processing Equipment, to purchase a backup server and to upgrade current computers. The motion passed unanimously by roll call vote.

INFORMATION TECHNOLOGY:

The Finance Director requested approval of the following budget amendment for the Information Technology Department to correct a computational error in preparation of the salary budget:

From:	101-39000 – Unassigned Fund Balance -	\$5,110
To:	101-52600-121 – Data Processing Personnel -	\$4,266
	101-52600-201 – Social Security -	265
	101-52600-204 – State Retirement -	504
	101-52600-209 – Disability Insurance -	10
	101-52600-212 – Employer Medicare -	65

Comm. Jernigan moved, seconded by Comm. Bullen to approve the budget amendment for the Information Technology Department as requested by the Finance Director to correct a computational error for the salary budget amending \$5,110 from Account 101-39000, Unassigned Fund Balance, with \$4,266 to Account 101-52600-121, Data Processing Personnel, \$265 to Account 101-52600-201, Social Security, \$504 to Account 101-52600-204, State Retirement, \$10 to Account 101-52600-209, Disability Insurance, and \$65 to Account 101-52600-212, Employer Medicare. The motion passed unanimously by roll call vote.

SHERIFF'S DEPARTMENT:

Chief Deputy Regina Nelson requested approval of the following budget amendments to appropriate money collected for asset forfeitures to the Special Purpose Fund expenditures; to request the appropriation of unspent donations at the end of June 30, 2010 to be transferred to the 2010-11 budget; and to request the appropriation of revenue received from the sale of old vehicles at the end of June 30, 2010 to the Motor Vehicle Account:

From:	121-34725 – Assigned for Public Safety -	\$18,000
To:	121-54110-319 – Confidential Enforcement -	\$15,000

121-54110-499 – Other Supplies/Materials -	3,000
From: 101-39000 – Unassigned Fund Balance -	\$ 2,251
To: 101-54110-399 – Other Contracted Services -	\$ 2,251

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From: 101-39000 – Unassigned Fund Balance -	\$18,238
Increase Revenue: 101-44530 – Sale of Equipment -	\$ 950
Increase Expend.: 101-54110-718 – Motor Vehicles -`	\$19,188

Chief Deputy Nelson next requested approval of the following budget amendment to budget all of the revenue and the remaining appropriation related to the ARRA 2009 Byrne JAG. This is the second year of this non-recurring grant. The total award for 2010-2011 is \$103,718:

Increase Revenue: 101-47303 – ARRA – Sheriff 2009 Byrne JAG -	\$85,140
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Increase Expend.: 101-58803-168 – Temporary Personnel -	\$11,765
101-58803-201 – Social Security -	730
101-58803-209 – Disability Insurance -	25
101-58803-212 – Employer Medicare -	170
101-58803-355 – Travel -	5,000

Increase Unassigned Fund Balance: 101-39000 -	\$67,450
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The Finance Director advised that this grant related to the re-entry program with one person being at the jail and one at the work center. She also explained that the amendment reflected a correction to the salaries, because the salaries were originally budgeted at a pay grade 5, step 1, but the individuals were being paid at a higher rate. She also advised that during the budget process, the revenue for this grant had not been estimated, which created an increase to the Unassigned Fund Balance.

Chief Deputy Nelson next requested approval of the following budget amendment to appropriate the carry-over amount from the ARRA 2009 Equipment Grant. The total grant was for \$538,165 and distributed with \$218,891.38 for Rutherford County; \$191,983.12 for the City of Murfreesboro; \$59,104.25 for the Town of Smyrna; and \$68,186.25 for the City of La Vergne:

Increase Revenue: 101-47305 – ARRA-Sheriff 2009 JAG Byrne - \$92,796

Increase Expend.: 101-58805-716 – ARRA – Sheriff JAG Byrne - \$92,796

Following review, Comm. Peay moved, seconded by Comm. Shafer to approve the budget amendments for the Sheriff's Department as requested appropriating \$18,000 from Account 121-34725, Assigned for Public Safety, with \$15,000 to Account 121-54110-319, Confidential Enforcement, and \$3,000 to Account 121-54110-499, Other Supplies and Materials; appropriating \$2,251 from Account 101-39000, Unassigned Fund Balance, to Account 101-54110-399, Other Contracted Services; appropriating \$18,238 from Account 101-39000, Unassigned Fund Balance, and recognizing \$950 in revenue in Account 101-44530, Sale of Equipment, with the total of \$19,188 to Account 101-54110-718, Motor Vehicles; recognizing \$85,140 in revenue to Account 101-47303, ARRA-Sheriff 2009 Byrne JAG, and appropriating \$11,765 to Account 101-58803-168, Temporary Personnel, \$730 to Account 101-58803-201, Social Security, \$25 to Account 101-58803-209, Disability Insurance, \$170 to Account 101-58803-212, Employer Medicare, \$5,000 to Account 101-58803-355, Travel, and increasing Account 101-39000, Unassigned Fund Balance, by \$67,450; recognizing \$92,796 in revenue to Account 101-47305, ARRA-Sheriff 2009 JAG Byrne Grant, and appropriating it to Account 101-58805-716, Law Enforcement Equipment.

The motion passed unanimously by roll call vote.

COUNTY FIRE DEPARTMENT:

The Finance Director requested approval of the following budget transfers for the County Fire Department to redistribute the appropriations for communications costs and communications

equipment to the correct line items in accordance with the State Comptroller's Uniform Chart of Accounts:

From: 101-54320-452 – Utilities - \$4,000
To: 101-54320-307 – Communications - \$4,000

From: 101-54320-499 – Other Supplies/Materials - \$3,000
To: 101-54320-708 – Communications Equipment - \$3,000

Comm. Jordan moved, seconded by Comm. Jernigan to approve the budget transfers for the County Fire Department as requested transferring \$4,000 from Account 101-54320-452, Utilities, to Account 101-54320-307, Communications; and transferring \$3,000 from Account 101-54320-499, Other Supplies and Materials, to Account 101-54320-708, Communications Equipment. The motion passed unanimously by roll call vote.

APPROVE FEMA FIRE GRANT ORIGINALLY AWARDED TO RUTHERFORD VOLUNTEER FIRE DEPARTMENT:

The Finance Director advised that the Rutherford Volunteer Fire Department had applied for and received a four-year grant award from FEMA in the amount of \$100,000 over the four-year period. She explained that she had spoken with the administrator of the grant, and they now realize that the grant WILL be transferred to Rutherford County with Rutherford County receiving the grant funds. She requested approval of the following budget amendment to budget the revenue and related appropriations for the four-year grant:

Increase Revenue: 101-47990 – Other Direct Federal Revenue -
\$47,343

Increase Expend.: 101-54320-451 – Uniforms -
\$27,500
101-54320-599 – Other Charges -
19,843

The Finance Director advised that the purpose of the grant was to provide uniforms, which include t-shirts and sweatshirts for Jr. Firefighters and members along with Class A and B uniforms. The award for this purpose totaled \$55,000.

The remainder of the grant award totaling \$45,000 was to be used for a marketing campaign, newspaper advertisements including posters, banners and a video program that could be played at local high schools and on the county's channel 19 for the purpose of recruiting volunteer firefighters.

The amendment budgeted the remainder of the first year award in the amount of \$19,843 and the second year award in the amount of \$27,500.

Following review, Comm. Sandlin moved, seconded by Comm. Jordan approving the transfer of a four-year grant award in the amount of \$100,000 from the Rutherford Volunteer Fire Department to Rutherford County for the purpose of purchasing uniforms and developing a marketing campaign; and additionally, to approve a budget amendment recognizing revenue in the amount of \$47,343 to Account 101-47990, Other Direct Federal Revenue, and appropriating \$27,500 to Account 101-54320-451, Uniforms, and \$19,843 to Account 101-54320-599, Other Charges. The motion passed unanimously by roll call vote.

ARRA ENERGY EFFICIENCY BLOCK GRANT:

The Finance Director requested approval of the following budget amendment to budget the revenue and expenditures related to the ARRA Energy Efficiency & Conservation Block Grant Program award that will be carried over from Fiscal Year June 30, 2010. She advised that the ARRA grant revenues and expenditures were not estimated during the budget process, because it was not known how much money would be remaining after the close of the fiscal year.

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Mrs. Nolen explained that all of the revenue that was due to the county was not received last fiscal year, and that was why there would be an increase to the Unassigned Fund Balance.

This portion of the grant was to be used to upgrade and replace fluorescent lamps in four county office buildings, upgrading HVAC controls in four buildings, and replacing metal halide bulbs in five parking lots:

Increase Revenue: 101-47801 – ARRA Energy Efficiency Block Grant -
\$307,716

Increase Expend.: 101-58806-335 – Maint./Repair Buildings -
\$223,959

Increase Unassigned Fund Balance: 101-39000 - \$
83,757

Following review, Comm. Jordan moved, seconded by Comm. Jernigan to approve the budget amendment as requested for the ARRA Energy Efficiency Block Grant recognizing

revenue in the amount of \$307,716 in Account 101-47801, ARRA – Energy Efficiency & Conservation Block Grant, and appropriating \$223,959 to Account 101-58806-335, Maintenance and Repair Buildings, with \$83,757 to Account 101-39000, Unassigned Fund Balance. The motion passed unanimously by roll call vote.

THDA HOME GRANT:

Chairman Ealy advised that the County Commission had previously authorized the application for the Tennessee Housing Development Agency HOME Program Grant. She advised that Rutherford County had received a three-year grant award of \$300,000 for the purpose of making available financial and/or technical assistance for the rehabilitation of eligible, substandard, owner occupied housing units located in the community.

Chairman Ealy requested approval of a Working Agreement between the State of Tennessee, Tennessee Housing Development Agency and Rutherford County for the purpose of creating, maintaining, or making more affordable, housing to low and very low income persons under the HOME Investment Partnership Program in the amount of \$300,000.

Chairman Ealy also requested approval of a Resolution to adopt the HOME Program Policies and Procedures with a copy of the policies and procedures being provided for the use and information of the committee.

Thirdly, Chairman Ealy requested approval of a Contract for Personal/Professional Services for the Administrative and Management Services and Assistance with Greater Nashville Regional Council in the amount of \$21,000 for services rendered in connection with administering the HOME Grant.

Finally, Chairman Ealy requested approval of the following budget amendment recognizing the grant award from the THDA/Homeowner Rehabilitation Project Grant in the amount of \$300,000 and appropriating the grant proceeds to cover the cost to Greater Nashville Regional Council for administering the grant and to Other Contracted Services for the rehabilitation of eligible homes:

Increase Revenue: 101-47180 – Community Development -
\$300,000

Increase Expend.: 101-58190-310 – Contracts w/Public Agencies - \$
21,000
 101-58190-399 – Other Contracted Services -
279,000

Mayor Burgess advised there would be a notification process of the availability of the

funds. He advised that applications would have to be made for the funds. The applications would be reviewed with a scoring mechanism used in determining the homeowners that would qualify for the assistance. GNRC would be administering the process. Mayor Burgess estimated that the amount of money would probably provide assistance for five, six, or seven rehabilitation projects.

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The Finance Director noted that GNRC would take care of the bidding process, as well.

Comm. Peay asked what the procedure was for individuals who might be interested in applying for the grant money.

Mayor Burgess explained that there would be specific procedures. He stated that initially if people were identified that potentially had a need, they could come to his office or contact Ms. Elam so that a list could be started. He stated that the process would be tedious, and that applicants would probably not be selected until later this year or early next year. He explained that the county would have until 2013 to complete the work. He advised that the policies and procedures require a very sophisticated notification process.

Following discussion, Comm. Jernigan moved, seconded by Comm. Shafer to authorize the County Mayor to execute a Working Agreement with the Tennessee Housing Development Agency for the purpose of providing grant funds in the amount of \$300,000 to create, maintain, or make more affordable, housing to low and very low income persons under the HOME Investment Partnership Program; to approve a Resolution to adopt the HOME Program Policies and Procedures; to authorize the County Mayor to execute a Contract with Greater Nashville Regional Council for Personal/Professional Services for the administrative and management services and assistance of the HOME Grant for a fee of \$21,000; and finally to approve the budget amendment recognizing the grant proceeds of \$300,000 to Account 101-47180, Community Development, and appropriating the grant proceeds with \$21,000 to Account 101-58190-310, Contracts with Public Agencies, and \$279,000 to Account 101-58190-399, Other Contracted Services.

The motion passed unanimously by roll call vote.

TRANSFERS OUT:

The Finance Director requested approval of the following budget amendment to provide additional funding to complete the Florence Road Project:

From: 101-39000 – Unassigned Fund Balance -	\$243,100
To: 101-99100-590 – Transfers Out -	\$243,100

Mrs. Nolen advised that a bill had been received from the City of Murfreesboro in the amount of \$827,584.17 for the completion of the Florence Road Project. She also advised that she was estimating that approximately \$19,000 for engineering costs for the Halls Hill Pike Project was still outstanding. She advised that there was currently \$595,383 available for City/County Road Projects.

The original contract issued in May, 2006 for the reconstruction of the road was \$7.2 million; however, due to change orders, the amended contract at completion totaled \$9.6 million.

Comm. Sandlin asked why the cost for the reconstruction of the road was \$2 million off.

Mayor Burgess advised that he believed that utility relocation costs accounted for some of the overage.

Comm. Sandlin stated that he believed that the county should have been notified that the change orders would result in the project being \$2 million over budget.

The Finance Director advised that the Resolution that was approved by the County Commission committed to 50% of the costs.

Following discussion, Comm. Jernigan moved, seconded by Comm. Jordan to approve the budget amendment to provide additional funding for the Florence Road Project with \$243,100 from Account 101-39000, Unassigned Fund Balance, and \$243,100 to Account 101-99100-590, Transfers Out.

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Comm. Jordan stated that he believed that the County should take note of this and for future projects should require that change orders over a certain percentage be approved through the committee process.

The Finance Director also advised that outstanding road projects included the Joe B. Jackson project estimated at \$2,203,200; John Rice Boulevard at a cost of \$250,000; and legal fees for the Halls Hill Pike condemnations at \$85,000.

Following discussion, the motion to approve the budget amendment to provide additional funding for the Florence Road Project with \$243,100 from Account 101-39000, Unassigned Fund Balance, and \$243,100 to Account 101-99100-590, Transfers Out, passed by roll call vote with Comm. Sandlin voting “no”.

AMBULANCE SERVICE FUND BUDGET AMENDMENT:

The Finance Director requested approval of the following budget amendment for the Ambulance Service Fund to provide funding to convert the repeaters to narrowband and to re-tune the voters. She explained that a purchase order was issued last year for this item, but the work was not done:

From: 118-34730 – Assigned for Public Health & Welfare -	\$3,000
To: 118-55130-499 – Other Supplies & Materials -	\$3,000

Comm. Shafer moved, seconded by Comm. Jordan to approve the budget amendment for the Ambulance Service Fund as requested to amend \$3,000 from Account 118-34730, Assigned for Public Health & Welfare, to Account 118-55130-499, Other Supplies & Materials. The motion passed unanimously by roll call vote.

Mayor Burgess noted that last year the Ambulance Service Fund began the year with \$400,000 and ended with \$1,477,795. He stated that the Ambulance Service did a remarkable job and improved their efficiency. He stated that as a result the fund balance increased by \$1 million.

APPROVE SERVICE AGREEMENT WITH APPERTAIN CORPORATION FOR THE REMOVAL AND DISPOSAL OF DEAD LIVESTOCK:

A service agreement with Appertain Corporation was presented for the removal and disposal of dead livestock at a cost of \$23,752.

Comm. Peay moved, seconded by Comm. Jernigan to authorize the County Mayor to execute the Service Agreement with Appertain Corporation for the removal and disposal of dead livestock within the County for a cost of \$23,752.

Mayor Burgess advised that Griffin Industries, the previous vendor providing this service, had discontinued the service altogether effective July 2. He stated that the county was left without any option for providing this service. He advised that the agreement with Appertain Corporation was a temporary arrangement, and was only good for six months. He stated that hopefully this would give the county some time to see if the service would be continued or some other arrangements could be made.

Following discussion, the motion to execute the Service Agreement with Appertain Corporation for the removal and disposal of dead livestock with the county for a cost of \$23,752 for an initial term of six months commencing on July 5, 2010 passed unanimously by roll call vote.

RESOLUTION APPROVING OFFICIALS' BONDS EFFECTIVE SEPTEMBER 1,

2010:

A Resolution authorizing the approval of the Public Officials Bonds as follows was presented to be effective September 1, 2010: Chairman of Purchasing - \$10,000; Circuit Court Clerk - \$100,000; County Clerk - \$100,000; County Coroner - \$2,500; County Engineer - \$10,000; County Mayor - \$50,000; Director of Schools - \$50,000; Finance Director - \$100,000; Register of Deeds - \$100,000; Sheriff - \$25,000; and Trustee - \$10,904,500.

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Comm. Jernigan moved, seconded by Comm. Bullen to approve a Resolution and forward the same to the County Commission approving the following officials' bonds effective September 1, 2010: Chairman of Purchasing - \$10,000; Circuit Court Clerk - \$100,000; County Clerk - \$100,000; County Coroner - \$2,500; County Engineer - \$10,000; County Mayor - \$50,000; Director of Schools - \$50,000; Finance Director - \$100,000; Register of Deeds - \$100,000; Sheriff - \$25,000; and Trustee - \$10,904,500. The motion passed unanimously by roll call vote.

OTHER BUSINESS

RESOLUTION PRELIMINARILY AUTHORIZING THE ISSUANCE BY THE HEALTH & EDUCATIONAL FACILITIES BOARD OF RUTHERFORD COUNTY OF ITS TAXABLE REVENUE BONDS IN AN AMOUNT NOT TO EXCEED \$17 MILLION FOR SENIOR HEALTH OF RUTHERFORD COUNTY, LLC:

Mr. Jim Baker, Chairman of the Industrial Development Board, and Mr. Sumner Bouldin were present to request approval of a Resolution preliminarily authorizing the issuance by the Health & Educational Facilities Board of Rutherford County of its taxable revenue bonds in an amount of not to exceed \$17,000,000 to finance certain hospital facilities for Senior Health of Rutherford County, LLC.

Mr. Baker advised that an identical Resolution had previously been approved by the Industrial Development Board, but upon further consideration by counsel it was determined that the Resolution should have been approved by the Health & Educational Facilities Board. The Health & Educational Facilities Board approved the Resolution on June 30 and has forwarded the Resolution to the Budget Committee.

Comm. Jernigan moved, seconded by Comm. Sandlin to approve the Resolution by the Health & Educational Facilities Board for the issuance of its taxable revenue bonds in an amount not to exceed \$17 million for the purpose of financing the acquisition, construction, and equipping of a hospital facility for Senior Health of Rutherford County, LLC. The

motion passed unanimously by roll call vote.

RESOLUTION OF THE INDUSTRIAL DEVELOPMENT BOARD AUTHORIZING THE ISSUANCE OF UP TO \$54 MILLION OF INDUSTRIAL DEVELOPMENT REVENUE BONDS AND THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF THE NHK SEATING OF AMERICA, INC. PROJECT:

Mr. Baker advised that NHK Seating, Inc. was proposing to build a facility on Joe B. Jackson Parkway to manufacture seats for the automotive industry. This will be a \$54 million project, and they are requesting the issuance of revenue bonds to enable the issuer to pay for acquiring and improving the site for constructing and equipping a manufacturing facility. The facility will hire approximately 224 employees. The hourly employees will be paid between \$13 per hour and \$17 per hour. The salaried employees will be in the \$40,000 range.

Following discussion, Comm. Peay moved, seconded by Comm. Shafer to approve the Resolution of the Industrial Development Board authorizing the issuance of up to \$54 million of Industrial Development Revenue Bonds and the acquisition, construction and equipping of the NHK Seating of America, Inc. Project to be located on Joe B. Jackson Parkway. The motion passed unanimously by roll call vote.

Comm. Peay requested a report from the IDB regarding companies that have received property tax abatements in terms of their performance. He stated that he would also like to know how much time they have left on their abatements.

Mr. Baker advised that information could be provided at any time, as the companies were monitored on an annual basis.

APPROVE FUNDING FOR THE CONSTRUCTION OF A FIRE STATION:

Comm. Jernigan moved, seconded by Comm. Bullen to approve an appropriation of \$55,000 from the Development Tax Funds for the construction of a fire station on Midland/Fosterville Road with the County Mayor to work with the fire department to contract some services with them.

Mayor Burgess advised that the Fosterville/Midland Fire Department already owned the land. Mayor Burgess reminded the committee that when he and the Finance Director were

reviewing the records of the Fosterville Fire Department, they lost that location. He explained that the new station would help them in their response time.

The Finance Director explained that the \$55,000 would be appropriated from the Account Restricted for Capital Projects in the General Fund, which was the Development Tax.

Following discussion the motion to appropriate \$55,000 from the Development Tax Funds for constructing and equipping a fire station on Midland/Fosterville Road passed unanimously by roll call vote.

ADJOURNMENT:

Chairman Ealy advised that there would not be a Budget and Finance Committee meeting in September as the Steering Committee would not have made the committee assignments at that time.

Comm. Sandlin thanked the members of the Budget Committee for a good budget. He also thanked Comm. Bullen for his service and dedication on the County Commission. He stated that he had learned a lot from Comm. Bullen. He stated that Comm. Bullen was a great commissioner and a great man, and he had enjoyed working with him for 20 years.

There being no further business to be presented at this time, Chairman Ealy declared the meeting adjourned at 6:50 P.M.

Elaine Short, Secretary